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# WAR FINANCE WORKER'S SALES KIT AND RECORD OF SALES



## SEVENTH VICTORY LOAN

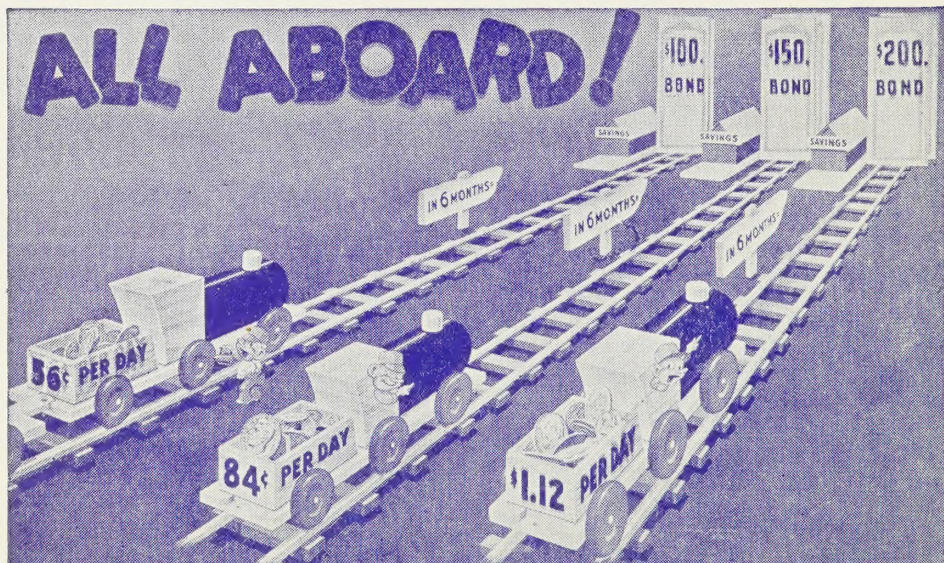


*Memo for today*



**BUY MORE  
VICTORY BONDS**

**ALL ABOARD!**



**BUY VICTORY BONDS**





# THIS IS YOUR

## 1. Prepare Each Day's Work

Arrange your list of prospects in the order that you intend to see them. Go to your best and biggest prospective buyer first. His order will give a lead to others and encourage you.

## 2. Arrange Your Sales Material

Have Order Forms ready so that you can sign up orders without delay.

## 3. Learn as Much as you can about Your Prospects Before You Start

*i.e.*, their ability to buy, interests, family, etc.

## 4. Never Lose Sight of Your Objective

It is to get orders for Victory Bonds. Don't get sidetracked.

Time your canvass. Start immediately after the mass meeting.

## 5. Appeal to Patriotism as well as to Reason

You are likely to get most orders from an emotional appeal. . . . The appeal to patriotism, to loyalty, and to the duty each one of us owes to the men overseas.

## 6. Don't Argue with Prospects

Be persuasive. Assume that your prospect intends to buy and that it is only a matter of deciding how much. There's nothing to be gained by winning an argument and losing the order.

## 7. Avoid Taking a Positive "No" for an Answer

Leave yourself in a position to go back to your prospect again if he or she does not buy immediately.

## 8. Aim High

No one is ever annoyed by your assuming that they can buy a larger amount of Victory Bonds than you actually expect them to buy. It is a subtle appeal to pride. It compliments the prospect by assuming that he has the resources to do a big job in a big way.

Don't be put off with small orders when you are certain the prospect can buy more.



# SELLING PLAN

## 9. Be a Good Listener

Give your prospect a chance to talk. As he talks, you will find out what he has got in his mind. The more he talks, the greater chance you've got to sell him.

## 10. Sell Them a "Nest Egg"

Victory Bonds are handy to have in case of emergency. Point out, also, that it will be a very comfortable feeling to own a good backlog of Victory Bonds to take advantage of post-war opportunities.

## 11. Sell Each Prospect Twice

Get an order on the Payroll Savings Plan first, then go after an order for Cash. The majority of your friends have some money in the savings bank. You can get some of that money into Victory Bonds if you try hard enough. Victory Bonds are better than cash in the bank. They earn 3% interest from the moment they are bought, as against 1½% interest in the savings bank.

If you get a Cash order first, then go after a second order on the Payroll Plan.

## 12. Appeal to the Prospects' Desire to Help Win The "V" Flag

Every individual likes to feel he is part of a team. Urge your prospects to play their part in helping win the "V" flag.

## 13. Complete Your Work

Be sure that every order form is accurately completed. Thank all who give you an order.

Complete your reports promptly and turn them into the Office so that the accounting department can make its return promptly to the National War Finance Committee.

## 14. Review Your Canvass

When you have canvassed your entire list of names, go back over the list with the determination to sell some extra bonds to those who should and can buy more.

# REMEMBER...

This is the most important of Canada's Victory Loans. Everything that can be done must be done to support our men overseas.

Everybody knows there is far more money in the country than there are things to buy. To hold down prices, to keep down the cost of living, to maintain the price ceiling, calls for the lowest possible spending and the highest possible saving by every Canadian. Holding down prices now helps keep our dollars good. By preventing a big rise in prices now, and a collapse in prices after the war, we keep things on a sound basis for peacetime activities.

Saving now is one of the best ways for each of us to do some sensible, useful post-war planning for ourselves and for our country.

In selling Victory Bonds, you have a right to feel and to know in your own heart that you are rendering a worthy service to Canada and our men overseas.



# Record of Sales

## SEVENTH VICTORY LOAN

NAME OF WORKER \_\_\_\_\_

DEPARTMENT \_\_\_\_\_

NAME OF EMPLOYEE

CASH

PAYROLL  
SAVINGS



# AIM HIGH

OBJECTIVE

FINAL RESULT

NUMBER OF BUYERS

125% \$

120% \$

115% \$

110% \$

105% \$

100% \$

95% \$

90% \$

85% \$

80% \$

70% \$

60% \$

50% \$

## Buy VICTORY BONDS

## 7th VICTORY LOAN

[illegible]

# Buy VICTORY BONDS





This is to Certify that


has purchased  
**Victory Bonds**  
of the  
**Seventh  
Victory Loan**  
of the Dominion of Canada

Oct.-Nov., 1944



*J. R. G. G. G.*  
MINISTER OF FINANCE





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<https://archive.org/details/warfinanceworker00unse>





This is to Certify that

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has purchased  
**Victory Bonds**  
of the  
**Seventh**  
**Victory Loan**  
of the Dominion of Canada

Oct.-Nov., 1944



*J. R. Flaherty*  
MINISTER OF FINANCE





"Give us the tools and we'll  
finish the job." — Churchill.

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**HERE ARE**

**THE TOOLS**

and

**THE PLAN**

for Selling

**VICTORY LOAN**

**BONDS**

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NOTE: Put this in your pocket.



# EIGHT TOOLS FOR

## 1. CHARACTER

You've got it.

## 2. KNOWLEDGE

- (1) **Product** (Ability to answer all questions).
- (2) **Prospect** (Past Record, Attitude, Intentions, Prejudices).
- (3) **Alibis and Answers.**

## 3. CONFIDENCE

- (1) Implicit and **absolute**, based on **conviction**, not vanity.
- (2) Can't conceive of refusal—Why?  
Because
  - (a) **Should** buy;
  - (b) Can buy if really wants to;
  - (c) Doing **him** a favor — will thank you later;
  - (d) Basically patriotic and wants to help win the war.

## 4. ENTHUSIASM

- (1) Based on importance and worthiness of cause.
- (2) Remind self before each interview to **get hot**.
- (3) Each interview is **NEW** to prospect.
- (4) Be like actor on the stage or Billy Sunday—it's contagious.

# SUCCESSFUL SELLING

## 5. DETERMINATION

- (1) If you fail it's your fault. **Someone can sell him!**
- (2) Feign failure and "start over".
- (3) Remember he'll thank you for forcing him.
- (4) Put on "Call-Back" list or sell a War Savings pledge.

## 6. GOOD LISTENER

- (1) Observe.
- (2) Ask Questions.
- (3) Ask Advice.
- (4) Be complimentary.

## 7. WHEN TO CLOSE

- (1) Maybe first minute—find out.
- (2) Accept any amount. Get signature first, then start to sell.
- (3) Watch for cue . . . When he starts asking questions, STOP talking—he is **sold**.

## 8. HOW TO INCREASE SUBSCRIPTION

- (1) Profess amazement.
- (2) Cite others and cite quota.
- (3) Assume he intends another "sub" for **cash or vice versa**.
- (4) Call back over entire list.
- (5) Make sale for cash on top of "sub".



# THE SELLING PLAN

## 1. PREPARATION

- (1) Arrange prospect list in order of contact and **don't deviate!**
- (2) Arrange material in kit for ready reference, and re-arrange after each interview.
- (3) Get some data re each prospect and note it on back of form.
- (4) Check your knowledge and rehearse your act.
- (5) Remember: (a) Objective is to get **both** cash and payroll "sub". (b) You'll only have one chance, so make each interview thorough and stick to plan. (c) Get "Hot."

## 2. EXECUTION

- (1) Timing—after speech—after meals.
- (2) Method of approach (excite sympathy or arouse interest).
- (3) Exploratory period.
  - (a) Find out if **you** have to sell — "What'll I put you down for?" (may surprise you).
  - (b) Ascertain his intention. (If "Yes" — Get signature, then reload. If "No", ask "Why?")
- (4) Sales period—follow plan.
- (5) Closing period.
- (6) Reloading period.
- (7) Call Back.

## 3. COMPLETION

- (1) Thoroughness.
- (2) Check all entries, names, etc.
- (3) Give duplicate if desired.
- (4) Express thanks.
- (5) Complete reports promptly.



The Minister of Finance of the Dominion of Canada  
offers for sale

\$1,300,000,000

Seventh

# VICTORY LOAN

Dated and bearing interest from 1st November 1944, and offered in two maturities, the choice of which is optional with the purchaser, as follows:

17 years and 3 months  
**3% BONDS**  
**DUE 1st FEBRUARY 1962**  
Callable in or after 1959  
Interest payable 1st February and August  
Bearer denominations,  
\$50, \$100, \$500, \$1,000, \$5,000, \$25,000

**ISSUE PRICE: 100%**

Four-year  
**1¾% BONDS**  
**DUE 1st NOVEMBER 1948**  
Non-callable to maturity  
Interest payable 1st May and November  
Bearer denominations,  
\$1,000, \$5,000, \$25,000, \$100,000

**ISSUE PRICE: 100%**

Principal and interest payable in lawful money of Canada. Principal payable at any agency of the Bank of Canada. Interest payable at any branch in Canada of any Chartered Bank without charge semi-annually, excepting that the first interest payment on the 3% Bonds will be for a nine months' period and payable 1st August, 1945.

Bonds may be registered as to principal or as to principal and interest, as hereinafter provided, through any agency of the Bank of Canada.

**FULLY-PAID APPLICATIONS**—Applications for either or both maturities of the loan may be paid in full while the lists are open, at the issue price in each case **without** accrued interest. Bearer bonds with coupons will be available for prompt delivery.

**MONTHLY SAVINGS PLAN APPLICATIONS**—Applications may also be made payable by a Monthly Savings Plan, plus accrued interest, as follows—

10% on application; 18% on 1st December 1944; 18% on 2nd January 1945;  
18% on 1st February 1945; 18% on 1st March 1945;  
18.64% on the 3% bonds or 18.37% on the 1¾% bonds, on 2nd April 1945.

The last payment on 2nd April 1945, covers the final payment of principal, plus .64 of 1% in the case of the 3% bonds and .37 of 1% in the case of the 1¾% bonds representing accrued interest to the due dates of the respective Monthly Savings Plan payments.

**CONVERSION OFFER**—Holders of Dominion of Canada 4½% Bonds due 15th October 1944 and Dominion of Canada 3½% Bonds due 15th October 1949 (the latter issue called for payment at 100% on 15th October 1944), who have not presented their bonds for payment, may, while the lists are open, tender their bonds in lieu of cash on applications for bonds of one or both maturities of this loan at the issue price in each case. The conversion value of the 4½% and/or 3½% bonds so tendered will be 100.125% of their par value, the resulting adjustment to be paid in cash. The 4½% bonds surrendered must have all coupons **detached** and the 3½% bonds surrendered must have the 15th April 1945 and subsequent coupons **attached**. If registered, the bonds must be accompanied by the necessary transfer documents.

The Minister of Finance reserves the right to accept or to allot the whole or any part of the amount of this loan for which cash application is made, for either or both maturities, if total applications are in excess of \$1,300,000,000.

The cash proceeds of this loan will be used by the Government to finance expenditures for war purposes.

The lists will open on 23rd October, 1944, and will close on or about 11th November, 1944, with or without notice, at the discretion of the Minister of Finance.



AUTHORIZATION The Seventh Victory Loan is authorized under authority of Acts of the Parliament of Canada, and both principal and interest are a charge on the Consolidated Revenue Fund of Canada. The books of the Loan will be kept at the Head Office of the Bank of Canada, Ottawa.

DETAIL OF 3% BONDS DUE 1962 The 3% bonds payable 1st February 1962, will be dated and bear interest from 1st November 1944. The first nine months' interest will be payable 1st August 1945; thereafter interest will be payable semi-annually on 1st February and August to maturity. The 3% bonds will be subject to redemption at the option of the Government, as a whole or in part, at 100% and accrued interest on or after 1st February 1959, at any time on sixty days' notice. Bearer bonds with coupons, which may be registered as to principal, will be issued in denominations of \$50, \$100, \$500, \$1,000, \$5,000 and \$25,000, and will be interchangeable in equal aggregate principal amounts, without charge. Fully registered bonds, the interest on which is paid direct to the owner by cheque, will be issued in denominations of \$500, \$1,000, \$5,000, \$10,000 and \$100,000.

DETAIL OF 1½% BONDS DUE 1948 The 1½% bonds payable 1st November 1948, will be dated and bear interest payable semi-annually from 1st November 1944 to maturity, and will be non-callable. Bearer bonds with coupons, which may be registered as to principal, will be issued in denominations of \$1,000, \$5,000, \$25,000 and \$100,000, and will be interchangeable in equal aggregate principal amounts, without charge. Fully registered bonds, the interest on which is paid direct to the owner by cheque, will be issued in denominations of \$1,000, \$5,000, \$10,000 and \$100,000.

TRANSFER REGULATIONS Transfer books of this loan will open 2nd January 1945. Thereafter and subject to such reasonable conditions as the Minister may prescribe, holders of fully registered bonds without coupons will have the right to convert into bonds with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds without coupons at any time, without transfer charge, on application to any agency of the Bank of Canada.

DELIVERY OF BONDS Bearer bonds, with coupons attached, of each maturity of this loan will be available for delivery at the time of application, or within one week thereof, to purchasers initially making payment in full. Bonds registered as to principal, or as to principal and interest, will be delivered to purchasers upon making payment in full, as soon as the required registration can be effected.

PAYMENT IN FULL ON MONTHLY SAVINGS PLAN DATES Applications may be paid in full while the lists are open at the issue price, or prices, **without** accrued interest, or on any Monthly Savings Plan payment due date thereafter; in the latter case accrued interest on the respective Monthly Savings Plan payment or payments will be charged. Under this provision, payment for Monthly Savings Plan applications may be made as follows—

	3% Bonds	1½% Bonds
If remainder (90%) paid 1st December 1944 - - - -	\$90.18 per \$100	\$90.11 per \$100
If remainder (72%) paid 2nd January 1945 - - - -	\$72.36 per \$100	\$72.21 per \$100
If remainder (54%) paid 1st February 1945 - - - -	\$54.50 per \$100	\$54.29 per \$100
If remainder (36%) paid 1st March 1945 - - - -	\$36.59 per \$100	\$36.35 per \$100
If remainder (final) paid 2nd April 1945 - - - -	\$18.64 per \$100	\$18.37 per \$100

INITIAL PAYMENT AND TITLE Applications, other than those initially fully-paid, must be accompanied by a payment of 10% of the par value of the bonds for which application is made. All cheques covering payments are to be made payable to the credit of the Receiver General of Canada. Title to the bonds shall not pass to the purchaser until payment in full has been completed. Applications will be accepted by Victory Loan Salesmen, by any branch in Canada of any Chartered Bank, or by any authorized Savings Bank, Trust or Loan Company.

MONTHLY SAVINGS PLAN PAYMENTS AND RECEIPTS Non-negotiable receipts will be issued upon request to all Monthly Savings Plan purchasers by the Chartered Bank, authorized Savings Bank, Trust or Loan Company, designated by the purchaser in the application form. These receipts will be exchangeable for bonds at the designated bank, trust or loan company, when the application is fully paid. All receipts should be exchanged before 1st May 1945. All Monthly Savings Plan payments must be made at the bank, trust or loan company, originally designated by the purchaser. Monthly Savings Plan payments, or payment of balance in full, after the application lists are closed, should be made only on a Monthly Savings Plan payment due date.

FORM OF BOND Purchasers must indicate on their applications the form of bond and the denominations required, and the bond so indicated will be available at the designated bank, trust or loan company.

Applications should be lodged on the official application forms which may be obtained from any Victory Loan Salesman, from the National War Finance Committee or any representative thereof, from any Branch in Canada of any Chartered Bank, or from any authorized Savings Bank, Trust or Loan Company.

Department of Finance,  
OTTAWA, 23rd October 1944.



Your Victory Loan Salesman

(Telephone)

Will call again on . . . . .



## ...AND AN UMBRELLA OF SECURITY



Military leaders of the United Nations have made plain their intention to assemble a vast "umbrella of safety" and raise it over the heads of our fighting men. They have said they will lay down a flaming "barrage of safety" before our forces as they advance against the enemy.

As one high official said recently, "We plan to carry these men safely through all the waters of the globe on their way to the fighting fronts. We cannot satisfy ourselves that we have done enough until we have done everything that we can do to conserve their young lives for the peacetime world to come! We must defeat the enemy so crushingly that his spirit will be broken and his surrender hastened."

Every Victory Bond you buy now will help to strengthen

*Buy More* **VICTORY**

# TY AGAINST A "Rainy Day!"

that *umbrella* of safety over our Canadian fighters. Every Victory Bond will help to intensify that *barrage* of safety as it rolls ahead of them across Hitler's Europe. Every Victory Bond will help to speed their voyages in safety through the waters of the world and back home to Canada. Every Victory Bond you buy will hasten the day of unconditional surrender for Hitler, Hirohito and all their henchmen.

Yet every Victory Bond you buy earns greater interest for you than you can get on money deposited in the bank.

And every Victory Bond you hold on to helps to provide a fine umbrella of security for yourself and your family against some future "rainy day."

# RY BONDS!



# **Victory Bonds give you:**

THE BEST INVESTMENT IN CANADA

DOUBLE THE INTEREST PAID BY BANKS

THE BEST SECURITY FOR BANK LOANS

EMERGENCY FUNDS QUICKLY IF NEEDED

NEW FINANCIAL "PEACE OF MIND"

A SENSE OF DUTY WISELY DONE



## **Buy More of Them!**

*Speed the Victory!*



**QUESTIONS**  
**AND**  
**ANSWERS**  
**ABOUT**  
**VICTORY BONDS**



**NATIONAL WAR FINANCE COMMITTEE**



**E**VEN after five years of war, some people do not yet clearly understand why Canada must continue to borrow money for war purposes by selling more and more Victory Bonds.

Some people are not even clear as to what a Victory Bond is. Others think that when they buy a Victory Bond they are *giving* their money to Canada. This is not so. They are merely loaning it at 3% interest.

It is hoped that by briefly *Answering the Questions most commonly asked*, all people will be given a better understanding of what a Victory Bond is, and why Canada must continue to float Victory Loans.

Don't hesitate to refer to this booklet if you are asked questions when *selling* Victory Bonds.



# WHERE TO FIND IT

## PART ONE

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# WHERE TO FIND IT

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## PART ONE

# QUICK FACTS ABOUT VICTORY BONDS



**Q: What are Victory Bonds?**

**A:** Victory Bonds are the best buy any Canadian can make. They show that you have loaned money to Canada to help win the war.

They are your country's promise to return your money to you—and, in addition, to pay you interest on that money every half year until you get it back. This promise—a promise which has always been fulfilled—is backed by all the wealth and resources of Canada.

When you buy Victory Bonds, you are not giving your money to Canada. You are lending it to your country at a time of national emergency.

**Q: When will Victory Bonds be paid off?**

**A:** The money you lend to Canada will be paid back to you by your country when the Bonds reach their maturity date. This date is shown on each Bond.

**Q: Should Victory Bonds be held until after the War?**

**A:** Your Bonds are your own property. You are free to sell them at any time you wish.

When you buy Bonds, you are helping to win the war and to fight the home front battle against inflation. When you sell your Bonds, you are withdrawing this help.

Unless it is absolutely essential to sell your Bonds—it is your patriotic duty, and in your own best interests, to “keep your savings in uniform” for the duration.

Buying Bonds is important—holding on to them is equally important.

**Q: Can Victory Bonds be sold easily?**

**A:** Yes. You can sell your Bonds at any time, without difficulty and without delay.

Just take your Bonds to any bank, any investment dealer, stockbroker, or trust company. The current sales value of the Bonds, including interest up to the day of sale, will be paid to you while you wait.

There is always a ready market for Victory Bonds.



**Q: Are Victory Bonds good security for a bank loan?**

**A:** Yes. They are the best security for a loan you can own.

Victory Bonds are acceptable by all banks as security for a loan. When you use your Bonds

as security for a bank loan, the interest income on the Bonds still belongs to you. This income will pay a large part of the interest charges on the loan.

By using Victory Bonds as security, it is very easy to obtain a bank loan for personal or business purposes.

**Q: Is there any chance that the Government will prevent people from selling their Victory Bonds?**

**A: No.** Rumors to this effect are sheer nonsense. You will be able to sell your Bonds in the future, just as you could in the past.

**Q: How is interest paid on Victory Bonds?**

**A: Interest is paid every half year.** The dates when interest is due are shown on each Bond.

A sheet of interest coupons is attached to Bonds in "bearer" form, and to Bonds which are registered as to principal. One of these coupons falls due each half-year. The date of maturity of each coupon is shown on its face. On each interest date, you cut off the coupon which falls due at that time, and take it to a bank. Any branch of any chartered bank in Canada will give you cash for Victory Bond interest coupons. There is no charge to you for this service.

No interest coupons are attached to Bonds which are registered as to both principal and interest. On each interest date, the Bank of Canada, as fiscal agent of the Government of Canada, mails you a cheque for the amount due. This cheque can be cashed at any branch of any chartered bank in Canada without any charge.

On Victory Bonds of recent Loans, the first interest payment has covered a period a little shorter, or a little longer, than six months. But, the second, and all later interest payments, fall due each six months.



**Q: What is the difference between Bearer Bonds and Registered Bonds?**

**A:** The main difference between Bearer Bonds and Registered Bonds is that Registered Bonds give you better protection in the event that the Bonds are lost, stolen or accidentally destroyed.

Bearer Bonds may be sold at any time by any person holding them. Interest coupons attached to Bearer Bonds are payable to any person who presents them for payment. In short, Bearer Bonds are almost as liquid as a dollar bill.

There are two ways you can have a Bond registered in your own name. First, there are Bonds registered as to principal. And, second, there are Bonds registered as to both principal and interest.

Bonds registered as to principal can be sold only if you sign a special form known as a "Power of Attorney" and have the Bonds transferred to Bearer Form. Interest coupons on these Bonds are payable to any person who presents them for payment.

No interest coupons are attached to Bonds registered as to both principal and interest. On each interest date, the Bank of Canada, as fiscal agent of the Government of Canada, mails you a cheque for the amount due. These Bonds can be sold only if you sign a special form known as a "Power of Attorney," and have the Bonds transferred to Bearer Form.

Bearer Bonds in any denomination may be registered as to principal. Bonds of \$500 or larger amounts can be exchanged for Bonds registered as to both principal and interest. Registered Bonds can be converted at any time into Bearer Bonds. There is no charge for the registration or de-registration of Victory Bonds. Registration and de-registration may be arranged through any bank.



**Q:** Since Victory Bonds in bearer form can be sold if they are lost or stolen, what should be done to keep them safe?

**A:** It is best to keep them in your own Safety Deposit Box with a bank or trust company. Or, any bank will keep your Bonds in their security vault for a small annual charge. Safe-keeping arrangements can also be made with many trust companies.

If you keep your Bonds at home, or at your place of business, it is safer to have them in registered form. Whether they are in bearer or registered form be sure to keep them in the safest place possible. And, be sure to keep a record of the serial numbers of the Bonds in a separate safe place. These numbers will be valuable should the Bonds be lost, stolen or accidentally destroyed.

**Q:** How much does a bank charge to keep Victory Bonds in their security vault?

**A:** The annual charge for \$250 or less of Bonds is 25 cents. For larger amounts, the annual charge is 5 cents for each \$50 of Bonds.

The bank will keep your Bonds in their security vault and, in addition, will clip and cash your interest coupons as they fall due, and will credit the money to you in a deposit account, which you can turn into cash at any time.

**Q: What steps should be taken if Victory Bonds are lost, stolen or accidentally destroyed?**

**A:** You should immediately notify the Chief of the Public Debt Division, Bank of Canada, Ottawa, or the nearest agency of the Bank of Canada, of all the circumstances of the loss. You should give details of the maturity date of the Bonds, their denominations, and, if available the serial numbers of the Bonds.

If the Bonds have been lost or stolen, it would also be advisable to furnish the local police department with the same information.

These steps should be taken whether the Bonds are in bearer or registered form.

**Q: How many people own Victory Bonds?**

**A:** Over 2½ million Canadians own Victory Bonds.

**Q: How much does it cost to run a Victory Loan Campaign?**

**A:** Costs of all kinds amount to less than 1 cent for each \$1 of Bonds sold.

**Q: What happens if it becomes impossible to complete payment for Victory Bonds under the Payroll Savings Plan?**

**A:** If you think you can resume payments within a reasonable time, you should try to arrange a temporary postponement of the amounts you owe.

Otherwise, you can arrange to have your Bonds sold at the prevailing market price. The difference between the proceeds of the sale and the amount you then owe on the original cost of the Bonds will be paid to you immediately.



## PART TWO

# WAR FINANCE AND WAR ECONOMICS



**Q: How much money will Canada spend this year?**

**A:** To win Victory, our spending now is at peak levels. Cash outlays are expected to average \$190 every second, or over \$11,400 every minute—a total of at least \$6,000,000,000 for the whole year ending March 31, 1945. This is 12 times the size of pre-war Budgets, which averaged around \$500,000,000.

Cash outlays consist of around \$5,200,000,000 for war purposes and about \$800,000,000 of other expenditures.

**Q: How do we expect to pay for war and other expenses this year?**

**A:** The Budget provides for the raising of about \$2,600,000,000 from taxes—something less than \$200,000,000 from trust accounts and other receipts—and, at least \$3,200,000,000 from borrowing.

Each \$1 of outlay will be raised about 46 cents from taxation and other receipts, and 54 cents from the sale of Victory Bonds, War Savings Certificates, and other securities.



**Q: Are this year's borrowing needs greater than last year's?**

**A: Yes.** Our borrowing needs last year were about \$2,900,000,000. This year, they will be at least \$3,200,000,000.

The Budget for this year states that this increase in borrowing needs requires larger purchases of Victory Bonds by more individuals than ever before because business firms and corporations cannot buy any more Bonds than they bought last year.

With production still increasing, the total of personal incomes is growing ever larger. And, despite high wartime taxation, the excess of money to spend over the costs of necessary war-time living standards is now greater than ever before.

Increased personal savings to meet the increase in borrowing needs is both necessary and possible.

**Q: What part of our total production is being used for war?**

**A: About half of our total production will be used for war during the year ending March 31, 1945.**

**Q: Why does our country raise money by taxes?**

**A:** There are two reasons. First, our country needs our money to pay the costs of the war. And, second, the more money we pay in taxes, the less we have to spend. Every cut in our demand for things means that more men and materials are released to war use. And, by holding down demand closer to the level of available supplies, pressure on the price ceiling is reduced and the cost of living is held down.

Taxes distribute real costs of the war, once and for all. The real costs of the war are the things we have to do without, because men and materials are diverted to war. Every dollar we pay in taxes cuts down our actual or possible standard of living. So, we bear part of the real costs of the war every time we pay taxes.

**Q: Why does our country borrow our savings?**

**A:** There are two reasons. First, our country needs our money to pay the costs of the war. And, second, every dollar we save to lend our country cuts down our spending. Every cut in our demand for things means that more men and materials are released for war use. And, by holding down demand closer to the level of available supplies, pressure on the price ceiling is reduced and the cost of living is held down.

Borrowing from the public distributes real costs of the war, but, unlike taxes, it does not get rid of them once and for all. Real costs taken care of this way are borne, for the time being, by the people who postpone the consumption of goods and services, save their money, and lend it to their country. The people who will finally bear these costs will be the people who pay taxes to take care of the interest charges on the debt, and the taxes which may be levied to pay off the debt.



**Q: Why not collect all the money needed for war through taxation?**

**A:** We cannot rely on taxation to pay all the costs of the war.

If the personal circumstances of everybody in Canada were identical, it might be possible to pay all our war costs by taxation. We might then devise a system of taxation which would involve equal sacrifices by all. Each of us would bear his share of the real costs of the war—once and for all—when we paid our taxes.

However, the personal circumstances of people in different income levels—and more important, the circumstances of different people in the same income level—vary widely. There is no system of taxation which could give special consideration to all these variations. Accordingly, any attempt to cover all our war costs by taxation would mean unbearable hardships for thousands and thousands of people.

In addition to these considerations of fairness, there is the important question of incentive. That is, the danger that too high taxes would result in some of us not working as hard as we possibly can.

The best we can do is to increase taxation as far as possible without creating undue hardship or undermining our desire to work.

**Q: Why can't the rich people pay enough taxes and save enough money to pay the costs of the war?**

**A:** The rich people—like people in every other income level—must do their full share. But, they cannot do it all. They simply have not enough income. Part of the burden falls on each one of us, no matter how large or how small our income may be. And, a large part of the burden must be borne by people with modest incomes.

In Canada, 9 out of every 10 people at work earn less than \$2,500 a year. Most of the increase in personal incomes over the war years has been received by those of us who earn less than \$2,500 a year. The well-to-do can, and do, pay high taxes and save as much as possible. But, they are so few in number, their total tax payments and their total savings cover only part of our war costs.

Those of us who have modest incomes must do our share. There are so many of us that our total taxes and our total savings add up to an immense sum.

### **Q: What is meant by inflation?**

**A:** Inflation means runaway prices—a persistently rising cost of living. Let's see how it could start and grow if we didn't keep things under control.

In wartime, more people are working, farm incomes are high. Money to spend grows larger and larger. But, a large part of production is needed for war.

Consumers cannot get all they want. When things are scarce, people will pay more and more for what is available. Prices and the cost of living begin to go up and, before long, workers demand higher pay.

Each increase in pay would step up costs of production. To keep in business, producers and dealers would ask higher prices. Each increase in prices would lead to new demands for higher pay as workers tried to keep up with the cost of living. Rising costs and prices would keep pushing each other up and up.

For most people, wages and salaries would never catch up with living costs. Money would buy less and less. Most of us would suffer, some more than others. Hardship, despair and confusion would sweep over factory, farm and home. Production of war and other goods would slow down.

Inflation also has a hangover. A dizzy rise in prices in wartime would be followed by a collapse in prices, and in incomes, when the pressures of war disappear. The effects of this deflation would be just as disastrous as the effects of inflation. It would mean more hardship and misery. It would mean upheaval and unemployment on a very large scale.

Inflation would create tremendous problems both for the present and the future. Since the start of the war, we have recognized the dangers of inflation and have taken definite steps to control prices and the cost of living. The willingness of the public to save to buy Victory Bonds has been the vital factor in the success of this programme.

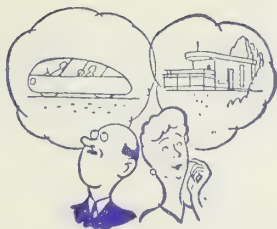
**Q: How are we fighting inflation?**

**A: We are fighting inflation in many ways.**

A ceiling has been set on prices. Costs of production, including wages and salaries, are controlled to prevent higher costs from pushing up the ceiling. Supplies are divided fairly among producers and merchants. Certain necessities of life are being rationed to ensure a fair share to everyone.

Our spending power is being reduced by high wartime taxes and by Victory Loans. The less money we have to spend, then the closer our demand to the volume of things to buy. This keeps down both the pressure on the price ceiling and the need for rationing. Our Government has made careful plans to keep the cost of living under control. But, our cooperation is essential to make these plans work.

We must economize and buy wisely; we must make old things do; we must resist the lure of luxuries; we must not ask for higher pay or for higher prices for the things we have for sale; and, we must save the largest possible amount of our incomes to buy Victory Bonds.



**Q: Why are we asked to save our money?**

**A:** Our voluntary wartime savings perform a number of vital jobs both during and after the war.

First, every dollar we spend in wartime means that someone is working for us, and that materials are being used up for our wants. When we save that dollar, that someone and those materials can work for quick and complete Victory instead of our private comfort.

Next, every dollar we spend means we compete with our fellow Canadians for the limited supplies of goods. Every dollar we save helps to spread available supplies fairly, and helps to make sure that the goods go to those who need them most.

Third, every dollar we spend increases the total demand for goods and puts upward pressure on prices. Every dollar we save reduces the demand for goods and helps to keep down the cost of living.

Individually, everyone needs a reserve of savings to meet emergencies. Personal security and happiness are not possible otherwise. Every dollar we save increases our ability to meet emergencies as well as helping our country in the ways we have just stated.

Wartime savings also have important post-war features. For one reason or another, everyone will be glad to have a reserve of savings when the war is over.



Completely apart from the value of savings as a reserve against emergencies, there will be many things we will want to buy in the post-war days when our resources can again be concentrated on the production of civilian goods. Not only will we have a lot of postponed wants and needs which will have piled up during the war years, but we will want to buy the new houses, the new cars, the new radios, and all the other things which will have improved in range and quality due to technical advances. Again, we may want to have enough money to start up our own business or to learn a new trade—to educate our children or to travel.

The spending of our wartime savings in these post-war days will have important results. The demand for goods financed by these savings will stimulate production and thus give peacetime employment to Canadians. A high level of employment is good for everybody because it means a strong demand for goods and services of all kinds, and a consequent high level of personal incomes.

### **Q: Can we carry our war debt?**

**A:** Yes. We can carry our war debt, and we can also carry further increases in debt which may take place after the war ends.

In the first place, our debt does not all mature at one time. And, as each loan matures, it is not reasonable to think all investors will want to turn their Bonds into money. Many people will want to renew their investment. They will exchange their Bonds for other securities maturing at a later date. If people do want money when their Bonds mature, we can always raise the dollars to pay them off. It is always possible to get this money by taxation or by selling new securities either to the public or to the banks. Circumstances at the time would determine the methods we would use.

The main burden of our debt is the interest charges which must be paid on it. Interest has to be paid year after year as long as the debt is outstanding. As at March 31, 1939, our total Direct and Guaranteed Dominion Debt was about \$4½ billions. By March 31, 1944, it had increased to just under \$11½ billions—some 2½ times the pre-war amount. But, the net interest charges—the amount that has to be paid out of taxes—was less than 1½ times the pre-war figure. This is due to the fact that the average interest rate on the debt has declined, and because a very substantial part of our gross debt has been incurred to purchase assets which pay interest, dividends or other revenues to the government.



But, these figures do not tell the whole story. They fail to take into account the increase in our national income, and the increase in the tax-paying ability of the Canadian people.

In 1939, our net interest charges were roughly 3.9% of the national income. At March 31, 1944, they were only about 2.6%. Total national income has doubled since the outbreak of war. But, our tax-paying ability has increased a good deal more. Our tax-paying ability is determined by the surplus income we receive over and above the cost of basic food,

shelter and clothing. It is obvious this surplus has increased proportionately more than the increase in total national income.

Therefore, the actual burden of our Direct and Guaranteed Government Debt in relation to national income is less than it was prior to the war. And, in relation to our tax-paying ability, it is much less than it was when the war began.

National debt is quite different from personal indebtedness. Personal debts are owed to other people. They can be paid only by the sacrifice of wealth or income on the part of the person owing them.

National debts, such as Victory Loans, are owed by the nation to itself. The payment of the debt leaves the nation, as a whole, neither richer nor poorer. In paying interest on national debt, the nation is simply making a transfer of income amongst its own people. And, in many cases, the same people are paying taxes and receiving interest. It is important, of course, that the securities representing our debt should be widely distributed. And, it is equally important that our tax structure should be fair, and based on the principle of ability to pay. Both these things are true of Canada to-day.

Our tax structure is steeply progressive, and is aimed to distribute the real costs of the war as thoroughly as possible. It is estimated that over  $3\frac{1}{2}$  million people hold Victory Bonds or War Savings Certificates—probably not less than 60% of the income earners of this country. And, these individuals probably hold more than  $\$3\frac{1}{4}$  billions of the increase in debt which has taken place since the start of the war.

Over the longer term, the key to our debt-carrying ability, as to many other matters, lies chiefly in the maintenance of a high level of employment and personal incomes. When we look at the future we do well to remember our

achievements in war finance and in war production—a record which would have seemed wholly impossible to any observer in September 1939. These achievements point the way to the future, and constitute a challenge for us in the future.

We have developed new skills, new industries, and new knowledge during these war years. After the war, we shall be able to produce more peacetime goods than ever before. With proper cooperation, we can keep production, employment and incomes at high levels.

**Q: What about the market value of Victory Bonds after the war?**

**A:** Here are two official statements on this subject, one by the Minister of Finance, the Hon. J. L. Ilesley, and the other by the Governor of the Bank of Canada, Mr. Graham F. Towers:

**The Hon. J. L. ILSLEY:**

“It will be of the greatest importance that we maintain, indeed assure, a ready and stable market for all these millions of bonds that we have sold. We have now the monetary and financial machinery, and we have developed the methods for accomplishing this, and we will therefore be able to deal with any situation which may develop in a way which will keep faith with the millions of investors who are supporting the savings program in this national emergency.”

**Mr. GRAHAM F. TOWERS:**

“Government bond prices reflect the level of interest rates. A decline in bond prices could happen only if interest rates were to rise. In my opinion, the needs of the future will require and enable the kind of monetary policy which has brought about the current level of interest rates. Continuance of this policy means stability in Victory Bond prices.”



# Approximate Costs of War Weapons

Commando Ammunition (9mm)—per round.....	.03c
Rifle and Machine Gun Ammunition (.303")—per round.....	.04c
Soldier's Water Bottle.....	.60c
Soldier's Emergency Medical Kit.....	.75c
Soldier's Clasp Knife.....	<b>\$1.00</b>
20mm Aircraft and Anti-aircraft ammunition—per round.....	<b>1.00</b>
Haversack.....	<b>1.90</b>
Hand Grenade.....	<b>2.00</b>
Steel Helmet.....	<b>2.25</b>
Anti-Tank Mine.....	<b>5.00</b>
40mm Anti-aircraft Ammunition—per round.....	<b>6.00</b>
3" Trench Mortar Bomb.....	<b>6.50</b>
Gas Mask—Standard Type.....	<b>7.50</b>
6-Pdr. Armour Piercing Shot—per round.....	<b>7.25</b>
25-Pdr. Field Gun Ammunition—per round.....	<b>13.00</b>
2" Naval Rocket Ammunition.....	<b>13.00</b>
Seaman's Life-Saving Jacket, with Flashing Light Attachment.....	<b>20.00</b>
3.7" Anti-Aircraft Ammunition—per round.....	<b>22.00</b>
4" Naval Ammunition—per round.....	<b>25.00</b>
Rifle, complete with Bayonet.....	<b>30.00</b>
Hospital Bed.....	<b>31.00</b>
2" Trench Mortar.....	<b>45.00</b>
Tank Periscope.....	<b>70.00</b>
Depth Charge.....	<b>90.00</b>
Torpedo Propeller.....	<b>100.00</b>
Field Binoculars.....	<b>125.00</b>

Cost of Complete Personal Equipment for:

A W.R.C.N.....	\$130.00
A C.W.A.C.....	133.00
An R.C.A.F.—Womens' Division.....	105.00
A Sailor.....	168.00
A Soldier.....	150.00
An Airman.....	115.00
Bren Machine Gun.....	175.00
Silk or Nylon Parachute.....	200.00
Collapsible Assault Boat.....	225.00
20mm Anti-Aircraft Gun.....	350.00
Walkie-Talkie.....	600.00
Torpedo Engine.....	2,500.00
Universal Carrier.....	3,000.00
Ambulance.....	3,500.00
6-Pdr. Anti-Tank Gun.....	4,000.00
Torpedo Blowhead.....	4,000.00
Armoured Car.....	7,050.00
Personnel Landing Craft.....	7,500.00
Bofors Anti-Aircraft Gun.....	10,500.00
Elementary Training Plane.....	12,000.00
Invasion Cargo Barge.....	13,500.00
25-Pdr. Field Gun.....	15,000.00
Anti-Aircraft Searchlight.....	18,000.00
Twin 4-inch Naval Gun with Mounting.....	45,000.00
Self-propelled Artillery Mount.....	45,000.00
Fighter Aircraft.....	50,000.00
Admiralty Fire Control Clock.....	70,000.00
Ram Tank.....	70,000.00
Wooden Minesweeper.....	300,000.00
Heavy Four-Engined Bomber.....	350,000.00
Corvette.....	800,000.00
4,700-ton Freighter.....	1,300,000.00
Algerine Minesweeper.....	1,320,000.00
Frigate.....	1,400,000.00
Invasion Ship.....	1,500,000.00
10,000-ton Freighter.....	1,750,000.00



*Invest In Victory*

National War Finance Committee

# CITY OF HAMILTON

## EMPLOYEES' VICTORY LOAN COMMITTEE

Let's all pull together for Victory. We mustn't slacken off and let the other fellow pull OUR share.

Have we done our best? .... That means all the Victory Bonds we can afford..... Let us buy them to the limit of our savings ..... then buy an extra Bond on the payroll plan from current income.


Money talks .... and fights .... when you invest it in Victory Bonds.

We've got Hitler groggy now ... BUT WE STILL HAVE TO DELIVER THE KNOCKOUT. .... The war can't wait. ... The need is now!

So let's do our best .... and get our fellow employees to order ..... Make this a total effort for a total Victory.

If we invest NOW, we will have money to spend later when we will get better value for our money.

Faithfully yours,

  
National War Finance  
Representative

  
Chairman of Committee

-----

Your Department Quota is	\$	_____
Your Actual Sales So Far are	\$	_____
To Make our Quota we must have	\$	_____

WE HAVE DONE SO WELL THAT TO FAIL NOW WOULD BE A CALAMITY. CAN YOU "STRETCH" FOR AN EXTRA  
\$ 50.00 or \$ 100.00

Put me down for an extra \$ \_\_\_\_\_

I will purchase by Cash \_\_\_\_\_  
by payroll \_\_\_\_\_  
Deduction \_\_\_\_\_

SIGNED \_\_\_\_\_





# CITY OF HAMILTON

## EMPLOYEES' VICTORY LOAN COMMITTEE

Dear Civic Employee:-

Thanks to your co-operation, our objective is now in sight, but, we still have approximately \$20,000.00 to make and only one week to go. With your full co-operation, we are confident of success.

Come with all your ideas, good, bad or indifferent --- from suggestions received at our last meeting, our sales jumped several thousand dollars.

We will send the enclosed letter to employees of the departments who have not reached their quota.

For departments who have exceeded their quota, a similar letter, leaving out reference to quota, will be mailed to those who have not purchased.

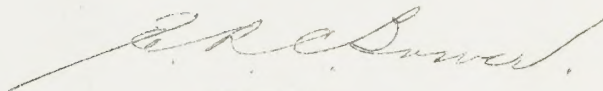
Will you please check your lists and bring these names with you when you come to:-

CIVIC EMPLOYEES' VICTORY LOAN  
COMMITTEE MEETING

Tuesday, Nov. 2-43.

4.00 P.M.

Yours truly,

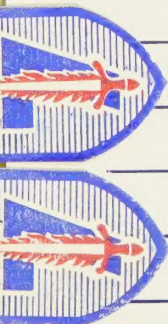


CHAIRMAN.

K.



# NOTES



R 971.063 WAR  
War Finance Worker's sales  
kit and record of sales ...  
1944.

CESC 1225140

Special Collections  
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*Invest In Victory*

National War Finance Committee